

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

BETTER MOUSE COMPANY, LLC,

Plaintiff,

v.

ANKER TECH CORPORATION, ANKER
INNOVATIONS TECHNOLOGY CO.
LTD., ANKER INNOVATIONS LIMITED
f/k/a ANKER TECHNOLOGY CO. LTD.,
and FANTASIA TRADING LLC d/b/a
ANKERDIRECT,

Defendants.

CIVIL ACTION NO. 2:19-cv-157

JURY TRIAL DEMANDED

ORIGINAL COMPLAINT

Plaintiff Better Mouse Company, LLC (“Better Mouse”) files this original complaint against the above-named defendants, alleging, based on its own knowledge as to itself and its own actions, and based on information and belief as to all other matters, as follows:

PARTIES

1. Better Mouse is a limited liability company formed under the laws of the State of Texas, with a registered office in Tyler, Texas.
2. Defendant Anker Tech Corporation is a dissolved corporation organized under the laws of the State of Delaware. Defendant Anker Tech Corporation may be served through its registered agent, Business Filings Incorporated (use 9325335), 108 W. 13th St., Wilmington, DE 19801.
3. According to documents filed with the Delaware Secretary of State, Anker Tech Corporation was voluntarily dissolved on October 31, 2017.



4. Under Delaware law, dissolved corporations, such as Anker Tech Corporation, continue for three years from the date of dissolution for the purpose of, among other things, defending civil suits. 8 Del. C. § 278.

5. According to documents filed with the Delaware Secretary of State, Meng (Stephen) Yang was the sole director of Anker Tech Corporation, and Anker Tech Corporation had no officers.

6. Anker Tech Corporation is a wholly owned subsidiary of defendant Anker Innovations Technology Co. Ltd.

7. Defendant Anker Innovations Technology Co. Ltd. (f/k/a Hunan Oceanwing E-Commerce Ltd.) is a limited company organized under the laws of the People's Republic of China and has a home office address at Washington Federal Center, 400 108th Ave NE, Ste 400, Bellevue, WA 98004. Anker Innovations Technology Co. Ltd. may be served with process by serving the Texas Secretary of State, 1019 Brazos Street, Austin, Texas 78701, as its agent for service because it engages in business in Texas but has not designated or maintained a resident agent for service of process in Texas as required by statute. This action arises out of that business.

8. Meng (Stephen) Yang is the founder and CEO of Anker Innovations Technology Co. Ltd.

9. Defendant Anker Innovations Limited f/k/a Anker Technology Co. Ltd. is a limited company organized under the laws of Hong Kong and has a home office address at Washington Federal Center, 400 108th Ave NE, Ste 400, Bellevue, WA 98004. Anker Innovations Limited may be served with process by serving the Texas Secretary of State, 1019 Brazos Street, Austin, Texas 78701, as its agent for service because it engages in business in



Texas but has not designated or maintained a resident agent for service of process in Texas as required by statute. This action arises out of that business.

10. Anker Innovations Limited is a wholly owned subsidiary of Anker Innovations Technology Co. Ltd.

11. Anker Innovations Limited and Anker Innovations Technology Co. Ltd. also do business in the United States under the name of, or through direction or control of, Power Mobile Life, LLC, a limited liability company organized under the laws of the State of Washington.

12. Meng (Stephen) Yang is the CEO of Anker Innovations Limited.

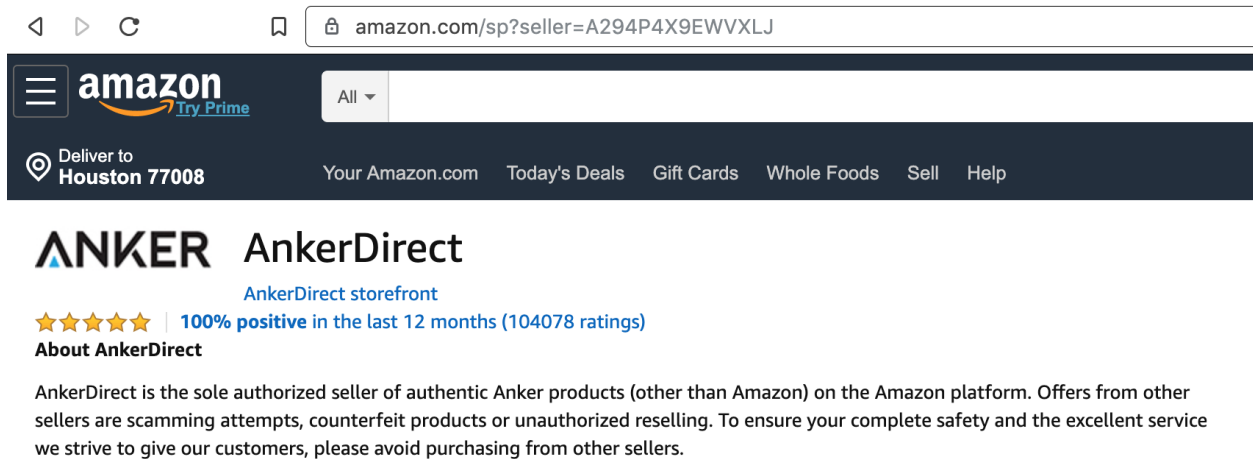
13. Defendant Fantasia Trading LLC is a Delaware limited-liability company with a place of business at 9155 Archibald Ave., Ste. 202, Rancho Cucamonga, California 91730. Defendant Fantasia Trading LLC may be served through its registered agent, Business Filings Incorporated, 108 W. 13th St., Wilmington, DE 19801.

14. Fantasia Trading LLC is a wholly owned subsidiary of Anker Innovations Limited and, ultimately, Anker Innovations Technology Co. Ltd.

15. Meng (Stephen) Yang is Fantasia Trading LLC's General Manager.

16. Fantasia Trading LLC's primary business is to sell, offer to sell, ship, and/or import Anker products.

17. Fantasia Trading LLC sometimes does business as AnkerDirect, including operating the AnkerDirect Amazon storefront:



(Source: <https://www.amazon.com/sp?seller=A294P4X9EWVXLJ>)

JURISDICTION AND VENUE

18. This is an action for breach of contract and tortious interference.
19. Better Mouse is a Texas company with a principal place of business in Texas, and every member of Better Mouse is a citizen of Texas. Thus, Better Mouse is a citizen of Texas.
20. None of defendants are organized under Texas law, have principal places of business in Texas, or have members who are citizens of Texas. Thus, none of defendants are citizens of Texas.
21. This Court has subject matter jurisdiction over Better Mouse's claims under at least 28 U.S.C. § 1332 and 1367 because the citizenship of the parties is diverse and the amount in controversy exceeds USD \$75,000, exclusive of costs and interest.
22. Fantasia Trading LLC and Anker Tech Corporation, entered into the subject Settlement and License Agreement ("Agreement") attached as **Exhibit A [Filed Under Seal]**.

[REDACTED]

23. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

24. As such, venue and jurisdiction over this action are proper in this Court.

25. The Court also has jurisdiction over defendants because they purposefully availed themselves of the privileges and benefits of conducting business in Texas. This action arises from a contract with, and harm caused to, a Texas company that maintains its registered office in this District. Defendants' acts of engaging in business in Texas include contracting with (or directing, instructing, or encouraging another to contract with) a Texas resident. The Agreement was entered into to resolve litigation pending in this Court. The Agreement was at least partially performed in Texas by Better Mouse, [REDACTED]

[REDACTED]

26. Further, defendants, directly or through subsidiaries or intermediaries (including distributors, retailers, and other business partners), conduct business extensively throughout Texas, by importing, shipping, distributing, offering for sale, selling, advertising, and servicing [REDACTED] in the State of Texas and the Eastern District of Texas. This action arises from the breach of [REDACTED]

[REDACTED]

[REDACTED]

27. The Court also has jurisdiction over Anker Innovations Limited because it committed the tort of tortious interference with an existing contract in whole or in part in Texas, including willfully inducing the breach of a contract with a Texas resident.

28. Venue is also proper in this District pursuant to 28 U.S.C. §§ 1391(b)(1), (b)(2), and (d). A substantial part of the events giving rise to the claims occurred in this District. The Agreement that is the subject of this action was entered into and performed at least in part in this District. The defendants are subject to personal jurisdiction, and thus reside for venue purposes, in this District.

FACTUAL BACKGROUND

29. On or around September 17, 2014, Better Mouse entered into the Agreement with defendants Fantasia Trading LLC and Anker Tech Corporation. The parties entered into the Agreement [REDACTED] the patent-infringement claims brought by Better Mouse against Fantasia Trading LLC and Anker Tech Corporation in *Better Mouse Company v. Anker Tech Corp., et al*, Civil Action No. 2:14-cv-376, which was then pending in the United States District Court for the Eastern District of Texas, Marshall Division.

30. Fantasia Trading LLC and Anker Tech Corporation entered into the Agreement under the direction or control of Anker Innovations Ltd. and/or Anker Innovations Technology Co. Ltd.

31. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

32. [REDACTED]

[REDACTED]

[REDACTED]

33. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

34. [REDACTED]

[REDACTED]

[REDACTED]

35. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

36. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

37. [REDACTED]

[REDACTED]

[REDACTED]

38. [REDACTED]

[REDACTED]

39. [REDACTED]

[REDACTED]

[REDACTED]

40. [REDACTED]

[REDACTED]

41. [REDACTED]

[REDACTED]

42. [REDACTED]

[REDACTED]

[REDACTED]

43. [REDACTED]

[REDACTED]

44. [REDACTED]

[REDACTED]

45. [REDACTED]

[REDACTED]

46. [REDACTED]

[REDACTED]

[REDACTED]

47. [REDACTED]

[REDACTED]

[REDACTED]

48. [REDACTED]

[REDACTED]

[REDACTED]

49. On August 2, 2018, one month before [REDACTED], Better Mouse sent Fantasia Trading LLC and Anker Tech Corporation [REDACTED]

[REDACTED] **Exhibit B [L. Thompson Aug. 2, 2018, Email to O. Yu]**
[Filed Under Seal].

50. Despite this courtesy notice, Fantasia Trading LLC and Anker Tech Corporation (and Anker Tech Co. Ltd.) [REDACTED]

To date, neither Fantasia Trading LLC, Anker Tech Corporation, nor any other entity [REDACTED]

[REDACTED].

51. [REDACTED]

[REDACTED]

52. In addition to the above-referenced courtesy notice, on September 6 & 7, 2018, Better Mouse emailed representatives for Fantasia Trading LLC and Anker Tech Corporation [REDACTED]. **Exhibit C [L. Thompson Sep. 6 and 7, 2018, Emails to O. Yu]**
[Filed Under Seal].

53. In response to that email, other representatives of Fantasia Trading LLC, Anker Tech Corporation, and/or related entities such as Anker Innovations Limited and Anker Innovations Technology Co. Ltd. were added to the email chain in a series of reply emails.
Exhibit D [Anker Email Chain] [Filed Under Seal].

54. The replies also included statements written in Chinese. One statement, from Vivi Chen, translates to, “Based on the expected selling amount, PM and OSO will determine whether

[REDACTED]

[REDACTED]

[REDACTED] **Exhibit**

E [Email Translations] [Filed Under Seal].

55. Vivi Chen is an employee of Anker Innovations Technology Co. Ltd., the ultimate parent company of Fantasia Trading LLC and Anker Tech Corporation.

56. On September 13, 2018, after receiving no further explanation [REDACTED], counsel for Better Mouse sent Fantasia Trading LLC and Anker Tech Corporation a letter demanding [REDACTED]

[REDACTED] **Exhibit F [M. Ellis Email and Letter] [Filed Under Seal]**¹.

57. The September 13, 2018 Letter was sent via email and FedEx, [REDACTED]

[REDACTED] Shortly after sending that letter, counsel for Better Mouse was informed that neither Fantasia Trading LLC nor Anker Tech Corporation [REDACTED]

[REDACTED] On September 18, 2018, because neither Fantasia Trading LLC nor Anker Tech Corporation had provided notice of a change of address, counsel for Better Mouse sent copies of the September 13, 2018 Demand Letter to the addresses provided by the California and Delaware Secretaries of State. **Exhibit G [M. Ellis Email and Letter] [Filed Under Seal]**².

¹ This email also included a copy of the Agreement, which was filed with this Complaint as Exhibit A.

² This email included a copy of the Agreement (Exhibit A), as well as the September 13, 2018, Letter, which was filed with this Complaint as part of Exhibit F.

[REDACTED]

58. On September 19, 2018, received an email from a representative of Anker Innovations Limited asking for [REDACTED]

Exhibit H [Sep 19, 2018, Email from P. Peng] [Filed Under Seal].

59. In response, counsel for Better Mouse sent an invoice [REDACTED] [REDACTED] as well as copies of the September 13, 2018 Demand Letter, the September 18, 2018 Letter, and the Agreement. **Exhibit I [Sep. 20, 2018, Email from M. Ellis] [Filed Under Seal]**³.

60. The representative of Anker Innovations Limited questioned [REDACTED] [REDACTED], and, on September 25, 2018, counsel for Better Mouse responded, explaining that Better Mouse was demanding [REDACTED] [REDACTED] **Exhibit J [Email Exchange Between M. Ellis and P. Peng] [Filed Under Seal].**

61. On September 27, 2018, another representative of Anker Innovations Limited responded that defendants would no longer [REDACTED] [REDACTED] This refusal to [REDACTED] purported to be based at least in part on a “Non-infringement statement” from one of defendants’ suppliers. **Exhibit K [Email from O. Yu] [Filed Under Seal].**

62. That same day, counsel for Better Mouse reiterated that the Agreement is valid and enforceable, and again demanded [REDACTED]. **Exhibit L [Email Exchange Between M. Ellis and Owen Yu] [Filed Under Seal].**

63. [REDACTED]

³ This email included a copy of the Agreement (Exhibit A), the September 13, 2018, Letter (Exhibit F), as well as the September 18, 2018, Letter, which was filed with this Complaint as part of Exhibit G.

COUNT I
BREACH OF CONTRACT

64. Better Mouse realleges and incorporates the preceding paragraphs, as though fully set forth herein.

65. The Agreement between Better Mouse and Fantasia Trading LLC and Anker Tech Corporation is a valid, binding, and enforceable written contract.

66. Better Mouse is a proper party to sue for breach of contract, as it is a party to the Agreement.

67. Better Mouse has performed all of its obligations set forth in the Agreement, including [REDACTED] All conditions precedent have been satisfied and/or have occurred.

68. Fantasia Trading LLC and Anker Tech Corporation have materially breached the Agreement [REDACTED]
[REDACTED]

69. Fantasia Trading LLC's and Anker Tech Corporation's breach occurred under the direction or control of Anker Innovations Ltd. and/or Anker Innovations Technology Co. Ltd.

70. Fantasia Trading LLC's and Anker Tech Corporation's breach has caused financial damage to Better Mouse, and will continue to injure and cause financial damage to Better Mouse unless a remedy is provided by this Court.

71. Fantasia Trading LLC's and Anker Tech Corporation's breach caused injury to Better Mouse, which resulted in at least the following actual damages and losses: [REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

72. While Anker Tech Corporation voluntarily dissolved on October 31, 2017, 8 Del. C. § 278 states that dissolved corporations such as Anker Tech Corporation shall be continued for three years for at least the purpose of defending civil suits and discharging liabilities.

73. In the alternative, and, in the case that Anker Tech Corporation currently possesses insufficient assets or capitalization with which it could satisfy a judgment, Anker Innovations Ltd. and/or Anker Innovations Technology Co. Ltd. are the successor(s)-in-interest to Anker Tech Corporation for the purposes of satisfying Anker Tech Corporation's obligations under the Agreement.

74. After the dissolution of Anker Tech Corporation, Anker Innovations Ltd. and/or Anker Innovations Technology Co. Ltd. continued to carry out that company's business.

75. Furthermore, in the situation that Fantasia Trading LLC currently or in the future possesses insufficient assets or capitalization with which it could satisfy a judgment, Fantasia Trading LLC operates as merely a tool or business conduit of Anker Innovations Technology Co. Ltd. and/or Anker Innovations Ltd.

76. [REDACTED]
[REDACTED]

77. Communications between counsel for Better Mouse and representatives of defendants regarding the Agreement have been primarily, if not exclusively, with employees of Anker Innovations Technology Co. Ltd. and/or Anker Innovations Ltd.

78. Meng (Stephen) Yang founded, owns, and/or controls each defendant company.

79. Anker Tech Corporation and Fantasia Trading LLC are wholly owned subsidiaries of Anker Innovations Technology Co. Ltd. and/or Anker Innovations Ltd.

80. Anker Innovations Technology Co. Ltd. and/or Anker Innovations Ltd. caused the incorporation or creation of Anker Tech Corporation and Fantasia Trading LLC.

81. The aforementioned “Non-infringement statement” from a supplier was addressed to Fantasia Trading LLC and Anker Innovations Technology Co., Ltd.

82. Fantasia Trading LLC’s primary business is to sell, offer to sell, ship, and/or import Anker products.

83. Accordingly, Fantasia Trading LLC is an alter ego of Anker Innovations Technology Co. Ltd. and/or Anker Innovations Ltd. As such, Anker Innovations Technology Co. Ltd. and/or Anker Innovations Ltd. are liable for the harms caused by Fantasia Trading LLC’s conduct.

COUNT II
TORTIOUS INTERFERENCE WITH AN EXISTING CONTRACT

84. Better Mouse realleges and incorporates the preceding paragraphs, as though fully set forth herein.

85. On September 17, 2014, Better Mouse on one side, and Fantasia Trading LLC and Anker Tech Corporation on the other, entered into a valid and enforceable contract: the Agreement.

86. Anker Innovations Technology Co. Ltd. knew or had reason to know of the Agreement.

87. Anker Innovations Technology Co. Ltd. willfully and intentionally caused or induced Fantasia Trading LLC and/or Anker Tech Corporation to breach the Agreement, as set forth above.

88. For example, the September 10, 2018, email from Vivi Chen, instructed the product manager to assess [REDACTED]

[REDACTED]

[REDACTED] As stated above, Vivi Chen is an employee of Anker Innovations Technology Co. Ltd., which is the parent company of Fantasia Trading LLC and Anker Tech Corporation.

89. As another example, the above-referenced “Non-infringement statement” was addressed to Anker Innovations Technology Co. Ltd. According to the date on the statement, it was provided on August 1, 2018, [REDACTED]. Thus, Anker Innovations Technology Co. Ltd. was preparing to interfere with Fantasia Trading LLC’s and Anker Tech Corporation’s obligations under the Agreement as early as August 1, 2018.

90. Despite being aware of the Agreement’s obligations, Anker Innovations Technology Co. Ltd. instructed or encouraged its co-defendants not to [REDACTED] [REDACTED] or materially hindered its co-defendants from [REDACTED] [REDACTED]

91. Anker Innovations Technology Co. Ltd.’s interference with the Agreement proximately caused an injury to Better Mouse.

92. That interference proximately caused injury to Better Mouse, which resulted in at least the following actual damages and losses: [REDACTED]

[REDACTED]

ATTORNEY FEES

93. Better Mouse realleges and incorporates the preceding paragraphs, as though fully set forth herein.

[REDACTED]

94. Better Mouse is entitled to recover its reasonable and necessary attorney fees [REDACTED]. Better Mouse has complied with all relevant sections of the Agreement.

95. Better Mouse is also entitled to recover its reasonable and necessary attorney fees from any defendant corporation or individual under Texas Civil Practice & Remedies Code chapter 38 because this suit is for breach of a written contract.

96. Better Mouse retained counsel presented its claim to defendants, but defendants did not tender the amount owed within 30 days of when the claim was presented.

JURY DEMAND

Better Mouse hereby requests a trial by jury on all issues so triable by right.

PRAYER FOR RELIEF

Better Mouse requests that the Court find in its favor and against defendants and that the Court grant Better Mouse the following relief:

a. Judgment that Fantasia Trading LLC's and Anker Tech Corporation (as well as their successors or alter egos) materially breached the Agreement;

b. Judgment that Anker Innovations Technology Co. Ltd. has tortiously interfered with the Agreement;

c. An award of actual damages in the amount of USD [REDACTED]

[REDACTED]

d. An award of actual damages in the amount of USD [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- e. An award of all unpaid interest due [REDACTED]
 - f. An award of attorneys' fees [REDACTED] or, in the alternative, against any individual or corporate defendant under Chapter 38 of the Texas Civil Practice and Remedies Code;
 - g. An award of pre-judgment and post-judgment interest on all damages computed;
 - h. An award of costs of court; and
 - i. Such other and further relief that the Court deems just and proper.

Dated: May 6, 2019

Respectfully submitted,

/s/ Larry D. Thompson, Jr.
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[REDACTED]

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